



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
www.dnr.illinois.gov

Pat Quinn, Governor
Marc Miller, Director

OFFICE OF FOREST RESOURCES
217-782-2894

FINANCIAL SECURITY INSTRUMENT (BOND) IRREVOCABLE LETTER OF CREDIT

Issuing Bank Information:

Name: _____
Address: _____
City: _____
State: _____ Zip: _____
Phone Number: _____

Date Issued: _____
Amount \$ _____
Bank Loc Number: _____

The _____ (Issuing Bank) hereby issues this Irrevocable Letter of Credit to the Illinois Department of Natural Resources, Office of Forest Resources, on behalf of _____ (Licensee Name).

This Irrevocable Letter of Credit authorizes the Illinois Department of Natural Resources, Office of Forest Resources, to draw on the issuing Bank, up to the amount of _____ Dollars (\$ _____) by Sight Draft presented for payment to the issuing Bank. The Sight Draft shall include a signed statement from the Illinois Department of Natural Resources, Office of Forest Resources, that the Licensee's failure to comply with the requirements of the Illinois Timber Buyers Licensing Act [225 ILCS 735] has resulted in a Bond Forfeiture.

This Irrevocable Letter of Credit shall be deemed to be made in Sangamon County, Illinois, for purposes of enforcement and any actions thereon shall be enforceable in the Courts of Illinois and shall be construed under Illinois Law.

The issuing Bank is (SELECT ONE):

- ☐ An Illinois Bank Corporation Operating Under Illinois Banking Charter No. _____
- ☐ A National Banking Association operating under Charter No. _____ issued by the U. S. Comptroller of the Currency

and conducts its business at the address shown above. The issuing Bank shall give prompt notice to the Licensee and to the Department of Natural Resources, Office of Forest Resources, of any notice received of action alleging the insolvency or bankruptcy of the issuing Bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the issuing Bank's Charter of License to do Business.

In the Event the issuing Bank becomes unable to fulfill its obligations under this Irrevocable Letter of Credit for any reason, notice shall be given immediately to the Licensee and the Illinois Department of Natural Resources, Office of Forest Resources, provided that such notice shall in no way relieve the issuing Bank of its obligations under this Irrevocable Letter of Credit.

This Irrevocable Letter of Credit is a binding obligation on the issuing Bank, independent of the acts and omissions of the Licensee, payable upon presentment by the Illinois Department of Natural Resources, Office of Forest Resources. The Illinois Department of Natural Resources, Office of Forest Resources and/or the State of Illinois shall in no way be obligated to the issuing Bank or Licensee for repayment of all or any portion thereof.

- ☐ This Letter of Credit will automatically extend for additional, successive terms of one (1) year from the original date of issuance, unless the issuing Bank provides the Illinois Department of Natural Resources, Office of Forest Resources, with written notice, at least sixty (60) days prior to the expiration date, that it does not wish to extend the Irrevocable Letter of Credit for an additional period. The Illinois Department of Natural Resources, Office of Forest Resources, has the right to draw on the Irrevocable Letter of Credit in the event the Licensee does not replace this Irrevocable Letter of Credit, prior to sixty (60) days before its expiration, with a replacement bond which complies with the Illinois Timber Buyers Licensing Act.
- ☐ The liability of the issuing Bank under this Irrevocable Letter of Credit shall continue in force from the issue date until released by the Illinois Department of Natural Resources, Office of Forest Resources.

Under penalty of perjury, I declare that I am executing the foregoing Irrevocable Letter of Credit for the uses and purposes therein set forth and certify that this Letter of Credit is not in excess of ten percent (10%) of the issuing Bank's Unimpaired Capital and Surplus Accounts, defined in Section 2 of The Illinois Banking Act, as evidenced by the most recent quarterly call report provided to the Federal Deposit Insurance Corporation.

Authorized Agent of Issuing Bank

Signature, Authorized Agent of Issuing Bank

ILLINOIS DEPARTMENT OF NATURAL RESOURCES

APPROVAL:

Office of Forest Resources

Date of Approval

Licensee Information:

Name of Individual, Company or Corporation (Must be same as Licensee Name on Front Page)

Address: _____ City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____